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## WAR FOOD ADMINISTRATION

[WFO 50, Amdt. 2]

## PART 1418—WOOL

## PURCHASE AND SALE OF DOMESTIC WOOL

War Food Order No. 50, as amended (8 F.R. 5131, 8045), § 1418.1, is further amended to read as follows:

§ 1418.1 *Purchase and sale of domestic wool*—(a) *Definitions*. (1) "Person" means any individual, partnership, association, business trust, corporation, or any organized group of persons whether incorporated or not.

(2) "Commodity" means the Commodity Credit Corporation.

(3) "Director" means the Director of Distribution, War Food Administration, or any employee or agency of the Department of Agriculture designated by him.

(4) "Domestic wool" means shorn wool or pulled wool obtained from sheep or lambs raised in the continental United States.

(5) "Handler" means a person who has entered into a wool handler's agreement with Commodity under its wool purchase program.

(6) "Secondary handler" means a person, operating as a country merchant or assembler, who:

(i) Purchases domestic wool for his own account from producers; or

(ii) Takes domestic wool from producers on consignment and performs such services in connection therewith as delivering from farm to local market or shipping point, bagging, country grading, and loading on trucks or cars.

(7) "Producer" means a person who owns sheep or lambs, raised in the continental United States, from which wool is shorn, or the skins of slaughtered sheep or lambs raised therein from which wool is removed.

(8) "Manufacturer" means a person who processes domestic wool beyond the scoured stage.

(9) "California processing wools" means tags, defective fall and eight-months wool, and defective lambs' wool, any of which is produced in California.

(10) "Off wools," in the case of shorn wool, means tags, crutchings, clippings, eyebrows, face wool, corral sweepings, baby lamb's wool (Texas only), murrain dead wool, pulled dead wool; and, in the case of pulled wool, means pulled vat and machine wool.

(11) "Purchase" includes contracts to purchase.

(12) "Sell" and "sale" include contracts to sell.

(13) "Deliver" and "delivery" include contracts to deliver.

(b) *Restrictions*. Except as herein-after provided or as specifically authorized by the Director, no person shall sell or deliver domestic wool to any person other than Commodity, and no person other than Commodity shall purchase or accept delivery of domestic wool.

(c) *Exemptions*. The restrictions of (b) shall not apply to:

(1) Purchases by and sales or deliveries to a handler for the account of Commodity pursuant to the terms of such handler's agreement with Commodity;

(2) Purchases by and sales or deliveries to a secondary handler, for his own account, from producers, of:

(i) California processing wools, or

(ii) Other domestic wool in lots of not to exceed three thousand pounds, grease weight;

*Provided, however*, That such wool shall be resold to a handler for the account of Commodity;

(3) Deliveries to a secondary handler, in lots of any size, on consignment for sale to a handler for the account of Commodity;

(4) Purchases by and sales or deliveries to a manufacturer from producers located within a radius of 50 miles from such manufacturer's mill or plant, provided such purchases and sales are made directly and not through dealers, brokers, warehousemen or cooperative associations;

(5) Sales and deliveries of domestic wool, made on Indian Reservations under the jurisdiction of the United States, by Indians to Indian Traders, and the resale and delivery of such wool by such Indian Traders to secondary handlers for sale by such secondary handlers to a handler for the account of Commodity. This exemption shall not apply to sales or deliveries made by Indians at places other than Indian Reservations;

(6) Domestic wool purchased from or sold by Commodity;

(7) Shorn wool produced in the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, North Carolina, South Carolina, Tennessee, Georgia, Florida, Alabama, Mississippi, Arkansas, and Louisiana;

(8) Off Wools, when packed and sold separately by producers.

(d) *Contracts*. The provisions of this order and of all orders or regulations issued pursuant thereto shall be observed without regard to contracts heretofore or hereafter made, or any rights accrued or payments made thereunder.

(e) *Audits and inspections*. The Director shall be entitled to make such audit or inspection of the books, records and other writings, premises or stocks of domestic wool of any person, and to make such investigations, as may be necessary or appropriate, in the Director's discretion, to the enforcement or administration of the provisions of this order.

(f) *Records and reports*. (1) The Director shall be entitled to obtain such information from, and require such reports and the keeping of such records by, any person, as may be necessary or appropriate, in the Director's discretion, to the enforcement or administration of the provisions of this order.

(2) Every person subject to this order shall, for at least two years (or for such period of time as the Director may designate), maintain an accurate record of his transactions in domestic wool.

(g) *Petition for relief from hardship*. Any person affected by this order who considers that compliance therewith would work an exceptional or unreasonable hardship on him may file a petition for relief with the Order Administrator. Such petition shall be addressed to Order Administrator, War Food Order No. 50, Office of Distribution, War Food Administration, Washington 25, D. C. Petitions shall be in writing and shall set forth all pertinent facts and the nature of the relief sought. If such person is dissatisfied with the action taken on such petition by the Order Administrator, he may, by request addressed to the Order Administrator, obtain a review of such action by the Director. After said review, the Director may take such action as he deems appropriate, which action shall be final.

(h) *Violations*. Any person who violates any provision of this order may, in accordance with the applicable procedure, be prohibited from receiving, making any deliveries of, or using domestic wool or any other material subject to priority or allocation control by any governmental agency. Any person who willfully violates any provision of this order is guilty of a crime and may be prosecuted under any and all applicable laws. Civil action may also be instituted to enforce any liability or duty created by, or to enjoin any violation of, any provision of this order.

(i) *Delegation of authority*. The administration of this order and the powers vested in the War Food Administrator, insofar as such powers relate to the administration of this order, are hereby delegated to the Director. The Director is authorized to redelegate to any person within the Department of Agriculture any or all of the authority vested in him by this order.

(j) *Territorial scope*. This order shall be effective within the continental United States.

(k) *Communications*. All reports required to be filed hereunder and all communications concerning this order shall, unless instructions to the contrary are issued by the Director, be addressed to Order Administrator, War Food Order No. 50, Office of Distribution, War Food Administration, Washington 25, D. C., Ref. WFO 50.

(l) *Effective date*. This amendment shall become effective at 12:01 a. m., e. w. t., June 30th, 1944.

With respect to violations, rights accrued, liabilities incurred, or appeals taken under War Food Order No. 50, as amended, prior to the effective date of this amendment, all provisions of said War Food Order No. 50, as amended, in effect prior hereto shall be deemed to



remain in full force and effect for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violation, right, liability, or appeal.

NOTE: All reporting and record-keeping requirements of this order have been approved

by, and all subsequent reporting and record-keeping requirements of this order will be subject to the approval of, the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

(E.O. 9280, 7 F.R. 10179; E.O. 9322, 8 F.R.

3807; E.O. 9334, 8 F.R. 5423; E.O. 9392, 8 F.R. 14783)

Issued this 23d day of June 1944.

GROVER B. HILL,  
First Assistant  
War Food Administrator.

War Food Administration,  
Summary to WFO 50 Amendment 2.

War Food Order 50 (wool) has been amended effective June 30th, 1944 to (1) permit larger purchases of wool by secondary handlers, (2) permit producers to sell off-grade wool direct to the trade, (3) include Maryland and Virginia in the restricted sales area, and (4) limit manufacturers' purchases of shorn wool direct from producers to a radius of fifty miles of the manufacturer's mill or plant.

War Food Order 50 (previously designated Food Distribution Order 50) established the Commodity Credit Corporation as essentially the sole purchaser of domestic wool, effective April 25, 1943. On June 11, 1943 the order was amended to exempt shorn wool produced in 19 States along the Atlantic Coast and in the Cotton Belt from the requirement that wool be sold only to CCC.

On March 4, 1944 the War Food Administration announced a continuation of the wool purchase program during 1944 on substantially the same basis as in 1943, and on April 15 issued details of the 1944 wool purchase program. The purchase price for each lot of wool purchased by CCC—as in 1943—is determined on the basis of an official appraisal.

*Purchases by Secondary Handlers.* Under the amended order, effective June 30th, 1944, secondary handlers may purchase from producers, for their own account, lots of wool weighing not more than 3,000 pounds, provided such wool is resold to CCC. The order previously limited all such purchases of wool by secondary handlers to lots of 1,000 pounds or less. The amended order affords producers of up to 3,000 pounds of wool a choice between selling their pro-

duction outright on a cash basis or consigning it for sale to CCC on the basis of an official appraisal. The amended order also provides that processing-type wools produced in California may be purchased in any quantity by secondary handlers provided such wools are accumulated and subsequently sold to CCC. Final settlement for all purchases by secondary handlers for their own account is made at the time of sale. No additional amount will be paid when the value of the wool is finally determined by official appraisal.

*Off-grade Wools.* The amended order exempts from its provisions the following off-wools when packed and sold separately by producers: tags, crutchings, clippings, eyebrows, face wool, corral sweepings, Texas baby lamb's wool, murrain dead wool, and pulled dead wool. Pulled wool exempted from the order includes pulled vat and machine wool. These off-wools may thus be sold in usual channels of trade. They should bring fair prices which bear a normal market relationship to clear wool. This modification of the order does not prohibit producers from selling shorn off-wools to CCC but makes such selling optional with producers.

*Sales Areas.* Under the order as amended on June 11, 1943, shorn wool produced in 19 States along the Atlantic coast and in the Cotton Belt was not required to be sold to CCC. These States included, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, Maryland, Virginia, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Arkansas. Under the order as amended June 30, 1944, Maryland and Virginia have been removed from this group of exempted States. Wool produced in all

States, however, will continue to be eligible for sale to CCC.

*Direct Sales by Producers.* Under War Food Order 50, manufacturers have been permitted to purchase pulled domestic wool direct from producers located within a radius of 50 miles of the manufacturer's mill or plant and shorn domestic wool *direct* (not through dealers or intermediaries) from producers wherever located. The amended order makes the 50-mile limitation applicable to both shorn and pulled wool. It also specifically provides that such purchases of domestic wool by manufacturers must be made direct from producers and not through dealers, brokers, warehousemen, or cooperative associations.

From the issuance of War Food Order 50 (formerly Food Distribution Order 50) on April 17, 1943, through May 13, 1944, Commodity Credit Corporation purchased about 276 million pounds of wool under the 1943 wool purchase program. All purchases were made through established wool dealers and cooperative associations at prices equal to ceiling values established by the Office of Price Administration, less specified transportation and marketing costs. Wool so purchased is sold at ceiling prices to manufacturers for war and essential civilian uses. Through May 13, 1944, the Corporation had sold approximately 108 million pounds of domestic wool.

Since announcement of the 1944 program, 170 dealers and associations have entered into agreements with CCC to purchase, handle, and sell wool for the account of the Corporation. Through June 3, 1944 about 50 million pounds of domestic wool had been appraised for purchase in connection with the new program.

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OFFICE OF DISTRIBUTION  
WASHINGTON 25, D. C.

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